

your modified adjusted gross income is above the threshold described in §418.2105.

(b) Your income-related monthly adjustment amount is based on your applicable modified adjusted gross income as described in §418.2115 and your tax filing status.

(c) We will determine your income-related monthly adjustment amount using the method described in §418.2120.

§418.2105 What is the threshold?

(a) The threshold is a level of modified adjusted gross income above which you will have to pay the income-related monthly adjustment amount.

(b) For calendar years 2011 through and including 2019, the modified adjusted gross income threshold is \$85,000 for individuals with a Federal income tax filing status of single, married filing separately, head of household, and qualifying widow(er) with dependent child. The threshold is \$170,000 for individuals with a Federal income tax filing status of married filing jointly.

(c) Starting at the end of calendar year 2019 and for each calendar year thereafter, CMS will set the threshold amounts for the following year. CMS will publish the threshold amounts annually in the FEDERAL REGISTER. Published threshold amounts will be effective January 1 of the next calendar year, and remain unchanged for the full calendar year.

§418.2110 What is the effective date of our initial determination about your income-related monthly adjustment amount?

(a) Generally, an income-related monthly adjustment amount determination will be effective for all months that you are enrolled in a prescription drug coverage plan during the year for which we determine you must pay an income-related monthly adjustment amount.

(b) When we have used modified adjusted gross income information from the IRS for the tax year 3 years prior to the effective year to determine your income-related monthly adjustment amount, and modified adjusted gross income information for the tax year 2 years prior later becomes available from the IRS, we will review the new

information to determine if we should revise our initial determination concerning the income-related monthly adjustment amount. If we revise our initial determination, the effective date of the new initial determination will be January 1 of the effective year, or the first month your enrollment or re-enrollment in a Medicare prescription drug coverage plan became effective if later than January.

(c) When we use your amended tax return, as described in §418.2150, the effective date will be January 1 of the year(s) that is affected, or the first month in that year that your enrollment or re-enrollment in a Medicare prescription drug coverage plan became effective if later than January.

Example: You are enrolled in Medicare prescription drug coverage throughout 2011. We use your 2009 modified adjusted gross income as reported to us by the IRS to determine your 2011 income-related monthly adjustment amount. In 2012, you submit to us a copy of your 2009 amended tax return that you filed with the IRS. The modified adjusted gross income reported on your 2009 amended tax return is significantly less than originally reported to the IRS. We use the modified adjusted gross income reported on your 2009 amended tax return to determine your income-related monthly adjustment amount. That income-related monthly adjustment amount is effective January 1, 2011. We will retroactively correct any differences between the amount paid in 2011 and the amount you should have paid based on the amended tax return.

(d) When we use evidence that you provide to prove the IRS modified adjusted gross income information we used was incorrect, as described in §418.2335, the effective date will be January of the year(s) that is affected or the first month in that year that your enrollment or re-enrollment in a Medicare prescription drug coverage plan became effective if later than January.

(e) When we use information from a more recent tax year that you provide due to a major life-changing event, as described in §418.2201, the effective date is described in §418.2230.

§418.2112 Paying your income-related monthly adjustment amount.

(a) We will deduct the income-related monthly adjustment amount from your